

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1013 Task Force on Affordable Housing

SPONSOR(S): Newton, Sr. and others

TIED BILLS: **IDEN./SIM. BILLS:** SB 854

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local, Federal & Veterans Affairs Subcommittee	12 Y, 0 N	Banner	Miller
2) Transportation & Tourism Appropriations Subcommittee			
3) Government Accountability Committee			

SUMMARY ANALYSIS

The State Housing Strategy Act, located in Part I, of ch. 420, F.S., was created by the Legislature in 1992 to articulate a state housing strategy to assist Floridians in having decent, affordable housing. The role of state government in housing and urban development is further outlined in part I of ch. 421, F.S. (Housing Authorities Law), ch. 422, F.S. (Housing Cooperation Law), and ch. 423, F.S. (Tax Exemption of Housing Authorities). Florida law also authorizes the creation of city, county and regional housing authorities. The Department of Economic Opportunity (DEO) and the Florida Housing Finance Corporation are charged with implementing the state housing strategy.

The bill creates the task force on affordable housing which, for administrative purposes, is assigned to the Florida Housing Finance Corporation. The task force shall convene no later than September 1, 2017, and is abolished no later than June 30, 2018.

The bill provides for the task force membership and recommendations of the task force and requires the submission of the recommendations by January 1, 2018.

The bill provides for reimbursement of per diem and travel expenses for task force members. There is an indeterminate fiscal impact for administrative costs associated with the task force.

The bill is effective July 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

The State Housing Strategy Act, located in Part I, of ch. 420, F.S., was created by the Legislature in 1992 to articulate a state strategy to assist Floridians in having decent, affordable housing. The role of state government in housing and urban development is further outlined in part I of ch. 421, F.S. (Housing Authorities Law), ch. 422, F.S. (Housing Cooperation Law), and ch. 423, F.S. (Tax Exemption of Housing Authorities).¹ Florida law also authorizes the creation of city, county and regional housing authorities.²

The State Comprehensive Plan provides long-range policy guidance for the social, economic, and physical growth of the state³ and is intended to serve as a direction-setting document.⁴ The goal of the state is to increase affordability and availability of housing for low-income and moderate-income people, including those in rural areas, while also encouraging self-sufficiency of individuals and assuring environmental and structural quality and cost-effective operations.⁵ The supply of safe, affordable, and sanitary housing for low-income and moderate-income people and the elderly can be increased by alleviating housing shortages, recycling older houses and redeveloping residential neighborhoods, identifying housing needs, providing incentives to the private sector to build affordable housing, and encouraging research into low-cost housing construction techniques.⁶

Coupled with the State Comprehensive Plan, the state's housing strategy aims to carry the state towards the goal of assuring that each Floridian has decent and affordable housing. The strategy envisions state, regional, and local governments working in partnership with communities and the private sector, relying on financial as well as regulatory commitments to accomplish the goal.⁷ The strategy includes specific policies relating to housing needs; public-private partnerships; preservation of housing stock; public housing; and housing production or rehabilitation programs.⁸ The Department of Economic Opportunity (DEO) and the Florida Housing Finance Corporation are charged with implementing the state housing strategy.⁹

DEO's Division of Community Development is responsible for promoting affordable housing by providing technical and planning assistance to communities statewide.¹⁰ DEO provides assistance to local governments in areas such as comprehensive housing plan requirements and affordable housing best practices. DEO is also responsible for research and planning functions, including the collection of data on the need for affordable housing in the state and the extent to which the need is being met through federal, state, and local programs. To effectively implement the state's housing strategies, DEO contracts with the Florida Housing Finance Corporation on a multiyear basis to stimulate, provide, and foster affordable housing in the state.¹¹

¹ Section 421.001, F.S.

² Sections 421.04, 421.27, and 421.28, F.S.

³ Section 187.101(1), F.S.

⁴ Section 187.101(2), F.S.

⁵ Section 187.201(4)(a), F.S.

⁶ Section 187.201(4)(b), F.S.

⁷ Section 420.0003, F.S.

⁸ Section 420.003(3), F.S.

⁹ Section 420.0003(4), F.S.

¹⁰ Florida Department of Economic Opportunity, *Affordable Housing Planning* <http://www.floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/affordable-housing-planning> (last visited October 7, 2016); Section 420.0003(4), F.S.

¹¹ Section 420.0006, F.S.

The Florida Housing Finance Corporation (Florida Housing) is a “public corporation and a public body corporate and politic” within DEO.¹² The corporation was created to administer “the governmental function of financing or refinancing housing and related facilities,” and is described as an “entrepreneurial public corporation” that is a separate budget entity housed in, but not controlled by, DEO.¹³

Effect of Proposed Changes

The bill creates a task force on affordable housing, which shall convene no later than September 1, 2017. The Florida Housing Finance Corporation shall provide administrative and staff support services to the task force. The task force shall be composed of the following ten members:

- The executive director of the Florida Housing Finance Corporation, who shall serve as the chair of the task force.
- The executive director of the Department of Economic Opportunity, or designee.
- Two members appointed by the Governor.
- Two members appointed by the President of the Senate.
- Two members appointed by the Speaker of the House of Representatives.
- The executive director of the Florida Association of Counties, or designee.
- The executive director of the Florida League of Cities, or designee.

Members of the task force are entitled to receive per diem and travel expenses pursuant to s. 112.061, F.S., which shall be paid by the state agency or entity the member represents. Task force members are not eligible to receive any other compensation.

The task force is charged with developing recommendations for addressing the state’s affordable housing needs. The recommendations shall include, but are not limited to:

- A review of market rate developments.
- A review of affordable housing developments.
- A review of land use for affordable housing developments.
- A review of building codes for affordable housing developments.
- A review of the states’ implementation of the low-income housing tax credit.
- A review of private and public sector development and construction industries.
- A review of the rental market for assisted rental housing.
- The development of strategies and pathways for low-income housing.

The recommendations shall be presented to and approved by the board of directors of the Florida Housing Finance Corporation. The report containing the approved recommendations is required to be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives no later than January 1, 2018.

The task force is abolished June 30, 2018, or at an earlier date as provided by the task force.

B. SECTION DIRECTORY:

Section 1: Creates the task force on affordable housing; assigns the task force to the Florida Housing Finance Corporation for administrative purposes; provides for membership; authorizes reimbursement for per diem and travel expenses pursuant to s. 112.061, F.S.; provides for recommendations; requires submission of recommendations by January 1, 2018; abolishes the task force no later than June 30, 2018.

Section 2: Provides an effective date of July 1, 2017.

¹² Section 420.504(1), F.S.

¹³ *Id.*

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

According to the agency analysis, the Florida Housing Finance Corporation will incur costs associated with the administrative oversight of this task force. The estimated cost is indeterminate.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.